Section 3

Workers Compensation Claims Statistics

The Kansas Workers Compensation Fund

The Workers Compensation Fund is a guaranty fund that operates as a payer of last resort for injured workers in the state of Kansas. The fund is administered by the Commissioner of Insurance through the Kansas Insurance Department, and makes workers compensation payments "[i]f an employer has no insurance to secure payment of compensation...and such employer is financially unable to pay compensation to an injured worker as required by the workers compensation act, or such employer cannot be located and required to pay such compensation." In Tables 3-1, 3-2 and 3-3, the Kansas Insurance Department has supplied data on the Workers Compensation Fund caseload, expenditures and receipts for FY 2002-FY 2004.

Table 3-1
Workers Compensation Fund Case Load Scheduled

	FY2004	FY2003	FY2002	FY2001
Total Number of Impleading	120	138	125	112
Total Number of Closed Cases	158	351	258	292

Source: Kansas Insurance Department

Table 3-2
Workers Compensation Fund
Expenditures Analysis

	FY 2004	% of Total	FY 2003	% of Total	FY 2002	% of Total
Disability Compensation	\$1,051,122	28.76%	\$1,414,800	34.82%	\$1,743,881	38.27%
Work Assessment	\$2,443	0.07%	\$2,060	0.05%	\$2,631	0.06%
Medical	\$925,650	25.33%	\$777,662	19.14%	\$1,272,118	27.91%
Reimbursement to Insurance Companies [K.S.A. 44-569(a) & K.S.A.44-569]; lump sum and medical may be included	\$1,031,498	28.23%	\$1,233,958	30.37%	\$876,891	19.24%
Attorney Fees	\$351,529	9.62%	\$303,013	7.46%	\$285,564	6.27%
Court Costs, Deposition, Medical Reports, etc	\$34,445	0.94%	\$40,564	1.00%	\$51,883	1.14%
Other Operating Expense	\$257,570	7.05%	\$291,147	7.17%	\$324,308	7.12%
Total Expenditures	\$3,654,258	100.00%	\$4,063,204	100.00%	\$4,557,276	100.00%

Source: Kansas Insurance Department

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¹ K.S.A. 44-532a.

Table 3-3
Workers Compensation Fund
Receipts Analysis

	FY 2004	% of Total	FY 2003	% of Total	FY 2002	% of Total
Assessment Receipts	\$3,790,122.12	39.50%	\$757,846	7.77	\$398,206	2.29
Misc. Reimbursements Fines & Penalties	\$113,760.70 \$68,712.80	1.19% 0.72%	\$96,973 \$113,822	1.00 1.17	\$189,811 \$57,877	1.09 .33
Transfer to State General Fund	(\$76,894.00)	-0.80%	(\$4,000,915)	41.01%	(\$7,000,000)	40.29%
(Senate Bill 363, Sec. 32 (b))						
Total Receipts	(\$3,895,701.62)	40.61%	(\$3,790,120)	31.07%	(\$6,752,312)	36.58%
Previous Year Carryover Balance	\$5,692,099.97	59.33%	\$12,792,061	131.07	\$23,703,442	136.45
Cancelled Checks	\$6,243.42	0.07%	\$37.64	0.00	\$22,703.00	0.13
Total Funds Available	\$9,594,045.01	100	\$9,001,979	100	\$16,973,833	100

Source: Kansas Insurance

Department

Workers Compensation Insurance Experience

The Kansas Insurance Department reports that the total direct paid losses by private insurance carriers² for the calendar year 2003 were \$173,028,718, a decrease of \$7,225,020 from the previous year (see Table 3-4). However, total paid losses were still well below the 22-year peak of \$243,751,957 in 1991. In the summer of 2003, the National Academy of Social Insurance released the results of a comparative study on accident-year incurred losses versus calendar year benefits by private insurance carriers and state funds in thirty-six states (including Kansas) over the period 1997-2002.³ The cumulative percent change in accident incurred losses and calendar year benefits paid for the period of study was a 27.3 percent increase and a 38.7 percent increase, respectively (not controlled for inflation). In comparison to the other 35 states, Kansas' accident year incurred losses for 1997-2002 increased by 31.5 percent. Calendar year benefits paid for Kansas (national numbers not available) the percent increase for accident year incurred loses was 52.8 percent and calendar year benefits paid rose 19.1 percent.

² The totals in Table 3-4 do not include self-insured employers.

³ Cecili Thompson Williams, Virginia P. Reno, and John F. Burton Jr., *Workers Compensation: Benefits, Coverage, and Costs, 2002* (Washington D.C.: National Academy of Social Insurance, 2003); 37-39.

Table 3-4
Workers Compensation Insurance Experience

						LOSSES
					LOSSES	INCURRED
	DIRECT	DIRECT	DIRECT	DIRECT	PAID TO	TO
	PREMIUMS	PREMIUMS	LOSSES	LOSSES	PREMIUMS	PREMIUMS
YEAR	WRITTEN	EARNED	PAID	INCURRED	WRITTEN	EARNED
1982	\$154,944,245	\$152,315,135	\$88,345,714	\$107,979,341	57	70.9
1983	\$147,137,981	\$148,669,330	\$96,289,968	\$115,282,150	65.4	77.5
1984	\$141,097,428	\$140,223,325	\$106,701,375	\$125,520,390	75.6	89.5
1985	\$172,985,620	\$170,955,138	\$120,755,675	\$147,438,366	69.8	86.2
1986	\$208,167,277	\$202,033,619	\$134,554,116	\$170,153,475	64.6	84.2
1987	\$223,674,161	\$222,846,661	\$147,885,631	\$195,885,084	66.1	87.9
1988	\$257,039,527	\$259,548,305	\$164,553,813	\$208,332,654	64	80.3
1989	\$264,102,264	\$263,386,009	\$184,857,801	\$239,142,874	70	90.8
1990	\$291,804,714	\$293,048,038	\$222,309,953	\$265,726,660	76.2	90.7
1991	\$341,012,872	\$337,125,586	\$243,751,957	\$321,497,577	71.5	95.4
1992	\$366,672,022	\$363,578,560	\$236,878,948	\$293,894,584	64.6	80.8
1993	\$367,030,245	\$365,646,558	\$220,091,021	\$231,228,324	60	63.2
1994	\$338,173,750	\$312,116,539	\$185,502,395	\$192,914,048	54.9	61.8
1995	\$312,745,351	\$322,205,785	\$159,776,412	\$139,528,898	51.1	43.3
1996	\$274,014,862	\$282,897,458	\$149,616,189	\$130,595,593	54.6	46.2
1997	\$261,121,536	\$261,895,503	\$145,248,549	\$134,603,154	55.6	51.6
1998	\$250,588,819	\$261,594,835	\$156,594,835	\$126,164,370	62.6	48.2
1999	\$251,341,523	\$252,545,287	\$170,144,109	\$179,376,781	67.7	71
2000	\$271,480,320	\$247,235,161	\$170,366,708	\$159,226,348	62.8	64.4
2001	\$291,575,463	\$269,386,691	\$190,426,537	\$237,335,832	65.31	88.1
2002	\$328,963,003	\$307,451,748	\$180,253,738	\$177,083,631	54.79	57.6
2003	\$341,421,177	\$324,780,102	\$173,028,718	\$205,767,268	50.68	63.36

Source: Kansas Insurance Department

The Kansas Closed Claims Study (CCS)

The Workers Compensation Act requires that employers (or their insurers) submit a first report of injury to the division. Not every injury, however, results in a claim by the injured worker for medical and/or indemnity compensation, and generally the division becomes aware of a claim and obtains information that a given claim has closed, and about the costs and duration of that claim, through only two means. One occurs when that claim has been litigated through the division's administrative law court system. The second occurs when a sample of insurers are required by statute to provide information to the division.

K.S.A. 44-557a(c) originally mandated that the Director of Workers Compensation "conduct studies of open and closed claims under the workers compensation act" and seek advice in order to "make valid statistical conclusions as to the distributions of costs of workers compensation

benefits." The expectation of the division's Open and Closed Claims Study was that the data collected will provide a foundation upon which to construct meaningful statistical conclusions about the costs and temporal characteristics associated with workers compensation claims in Kansas and identify trends in these claims characteristics over time. Due to the dynamic and continually evolving nature of medical and indemnity payments for claims not yet closed (open claims), no meaningful statistics on costs (including daily payments) could be reported, and in 2003 the Legislature altered the statute to no longer obligate the division to collect data on and report for claims still open.

The CCS study is repeated on an annual basis using the first completed survey study as a baseline for comparison of successive samples. The intent of this statutory mandate is that the division should provide the legislature with information that it can use in deciding whether changes in the provisions of the Workers Compensation Act are needed and, if so, to help formulate policy responses to identified problems with the program as presently administered.

The 2004 Closed Claims Study (CCS)

The 2004 Closed Claim Study (CCS) marks the sixth consecutive year that the division has collected claims data directly from a stratified random sample of insurance carriers, self-insured organizations and group-funded pools underwriting workers compensation in the state of Kansas (see Appendix). The following section summarizes the findings of the CCS for this past calendar year (2003).

Highlights from the 2004 Closed Claims Study

- For the 2004 closed claims sample, the mean total indemnity cost was \$12,637 (see Table 3-10). The median total indemnity cost for the same sample of closed claims was \$4,901, indicating that there were a fair number of claims with large indemnity payouts that skewed the mean indemnity costs higher than the median.
- The mean total medical cost for closed claims was \$11,611 (see Table 3-10). Out of this total, the mean hospital cost was \$5,743, the mean total payment to physicians was \$3,216, and the mean cost categorized as "other medical" was \$2,427. As with indemnity claims, the median claim total medical expense was only \$5,033, indicating the presence of a considerable number of large medical claims that skewed the mean total cost higher than the median.
- The average lump sum settlement was \$17,393 (for the 957 claims that had a lump sum involved) while the median cost was considerably less at \$7,956.
- There were 20 cases that reported vocational rehabilitation expenses for the 2004 sample, with a mean cost of \$1,006.
- The median duration of a claim (from date disability began to the date given by the insurer as the date of closing) was 432 days. Using an alternative method for determining the length of the claim by calculating the duration of the claim from the date of injury to the date of closing gives a mean duration of 619 days, or a median of 489 days. See Table 3-5 and 3-10.

• It took an average of 23 days for an insurer to be notified following an accident, with half of the sample taking six days or less for notification. Insurers took an average of 102 days from the date disability began to make the first payment to the claimant (it took only 18 days for half of all claims). See Table 3-5 below.

Table 3-5
2004 Closed Claims
Time Intervals*

			Time Taken for	
		Time Taken to	Insurer to Get First	
	Claim Duration	Notify Insurer	Payment Out	Time Off Work
Mean	580	23	102	306
Median	432	7	18	59
Count	1,734	2,780	1,734	1,649
Max	4,742	1,196	4,067	74,423
Min	16	0	1	1

- Nearly 31 percent of the injured workers in the sample had secured the services of an attorney to handle their claim. The average indemnity costs for claims involving an attorney (\$20,012) were \$13,485 greater, on average, than claims without an attorney (\$6,527). See Table 3-7.
- Mean total medical costs for claims involving an attorney totaled \$19,120. For claims not involving attorneys mean total medical costs were \$7,849. Mean lump sum settlements for claims involving attorneys (\$12,082) were far greater than for claims without attorneys (\$3,198). See Table 3-7.

^{*}All time intervals listed are in days.

Table 3-6
2004 Closed Claims
Percentage of Impairment

Bracket	Count
1-9%	728
10-19%	349
20-29%	81
30-39%	29
40-49%	16
50-59%	11
60-69%	5
70-79%	1
80-89%	2
90-99%	2
100%	3
Total	1,227

Source: Kansas Division of Workers Compensation

Table 3-7
2004 Closed Claims
Attorney Involvement with Claim

		Average	Average	Average
	Count	Indemnity	Medical	Lump Sum
Claimant Attorney Involved	873	\$20,012	\$19,120	\$12,082
No Claimant Attorney	1,907	\$6,527	\$7,849	\$3,198
All Cases	2,780	\$10,761	\$11,388	\$5,987

Source: Kansas Division of Workers Compensation

• Mean employer legal expenses, for the 1,058 claims that had these expenses reported, totaled \$2,397, while the mean claimant legal expense was \$9,012 for the 59 cases that itemized expenses. The respective median costs for employer and claimant legal expenses associated with a claim were \$744 and \$2,462. See Table 3-8.

Table 3-8 2004 Closed Claims Legal Expenses Associated with Claim

	Employer's Legal Expenses	Claimant's Legal Expenses
Mean	\$2,397	\$9,012
Median	\$744	\$2,462
Count	1,058	59

Source: Kansas Division of Workers Compensation

Table 3-9
2004 Closed Claims
Average Wage & Indemnity by Employer Payroll

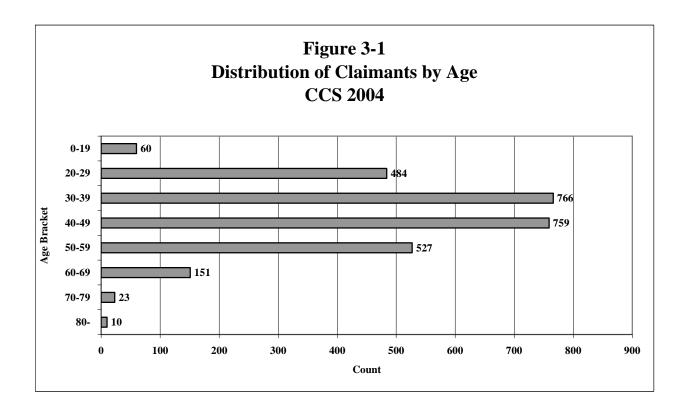
	Average of		_Count_of	
	Average Weekly Wage	Average of Total Indemnity	Return To Work	Total Cases in Each Category
\$0	\$483	\$5,477	4	497
\$1-100,000	\$3,551	\$45,040	21	39
\$100,001-\$1,000,000	\$451	\$10,976	150	274
\$1,000,001-\$10,000,000	\$569	\$12,780	414	529
Over \$10,000,000	\$658	\$11,224	742	859
Sample Total	\$607	\$10,761	1794	2780

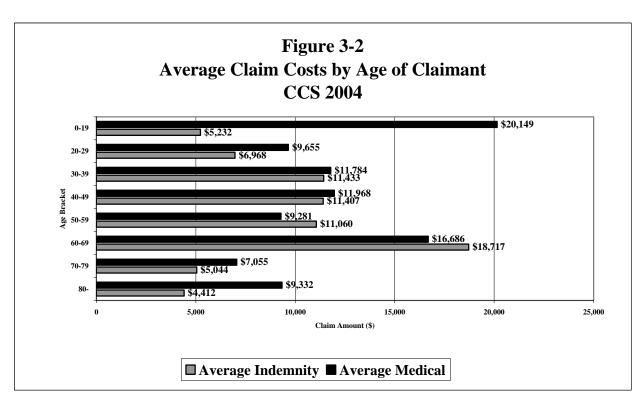
Source: Kansas Division of Workers Compensation

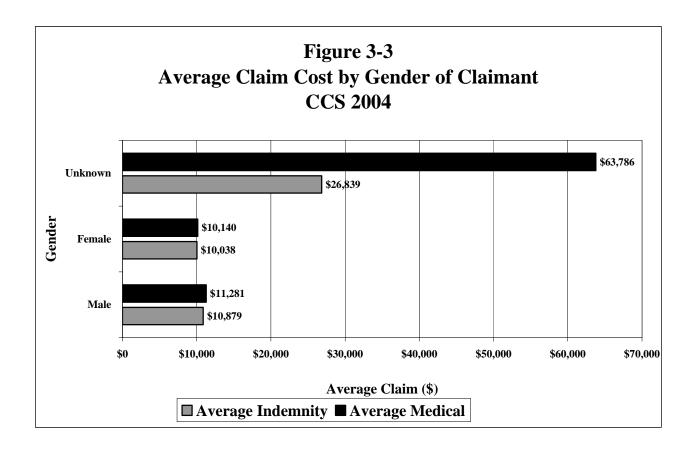
The following highlights refer to the 2004 Closed Claim Study charts that follow below (see Figures 3-1 through 3-16).

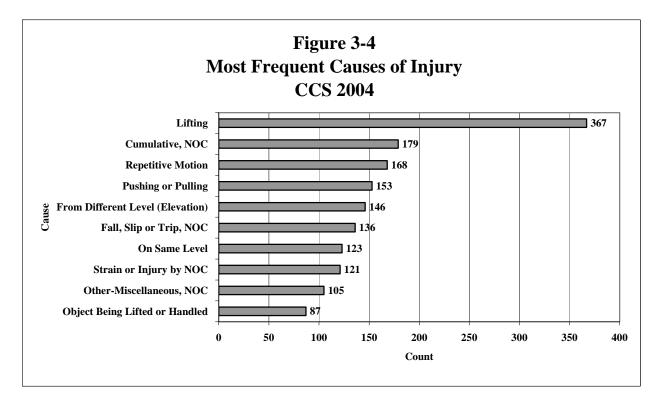
- Injured workers in the 30 to 39-year-old age stratum had the greatest number of claims (766) in the sample, while claimants in the 40 to 49-year-old age stratum were a close second with 759. See Figure 3-1.
- Injured workers in the 0 to 19-year-old age stratum reported the highest mean indemnity costs (\$20,149), with those in the 60 to 69-year-old age stratum a close second at \$18,717. See Figure 3-2.
- Male claimants reported a slightly higher mean indemnity costs than female claimants (\$10,879 for male claimants and \$10,038 for female claimants) and higher mean medical costs (\$11,281 for males and \$10,140 for females). See Figure 3-3.
- Lifting was the most frequent cause of injury resulting in a claim for this year's study. The mean indemnity cost for lifting injuries was \$10,108 and mean medical costs were \$10,670. However, of the top 10 most frequent causes of injury, those classified as repetitive motion reported the highest average indemnity costs (\$20,427) and medical costs (\$22,403). See Figures 3-4 and 3-5.
- Forty percent of the closed claims sample reported strains as the nature of the worker's injury. The second most common nature of injury was fractures, followed by sprains.

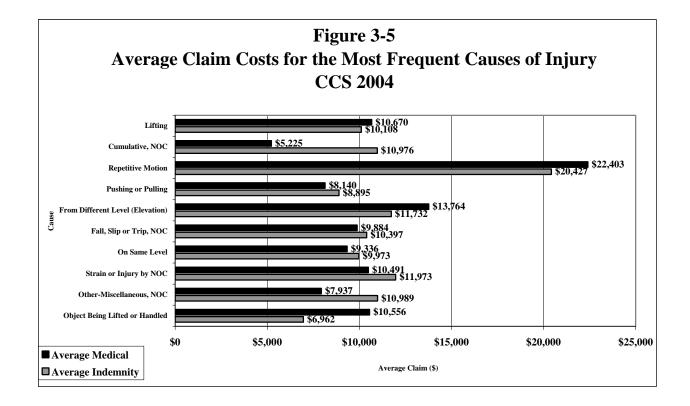
- See Figure 3-6. However, mean indemnity costs for carpal tunnel syndrome (\$14,499) were the highest indemnity costs by nature of injury. The highest average medical cost by nature of injury (\$48,395) was associated with multiple physical injuries. See Figure 3-7.
- The most frequently injured major body region (which consists of all the body parts condensed down into much broader categories) was the upper extremities (arms, wrists, hands, elbow, etc.). Lower extremities were second, with the back region the next most frequently reported injured body region. However, the highest mean indemnity costs were with claims involving multiple body parts (\$14,688), and the highest mean medical costs for major body region were with claims involving the head (\$17,765 mean medical). See Figures 3-8 and 3-9.
- The knee was the most frequently injured body part resulting in scheduled indemnity benefits but wrist claims had the highest mean indemnity costs (\$16,937) and highest mean medical costs (\$19,425). See Figures 3-10 and 3-11.
- Injuries involving multiple body parts were the most often injured body part resulting in unscheduled indemnity benefit, with the lower back area second. However, hip injuries had the highest mean indemnity (\$15,744) and multiple trunk injuries reported the highest mean medical costs (\$28,064) for all unscheduled body part claims. See Figures 3-12 and 3-13.
- Temporary total disability (TTD) claims had a mean of \$5,025 for indemnity costs. However, death cases had the highest mean indemnity costs, with \$28,514 for seven cases. See Figures 3-14 and 3-15.
- Carpal tunnel syndrome injuries had mean indemnity costs of \$14,499 and mean total medical costs of \$22,174. See Figure 3-16.

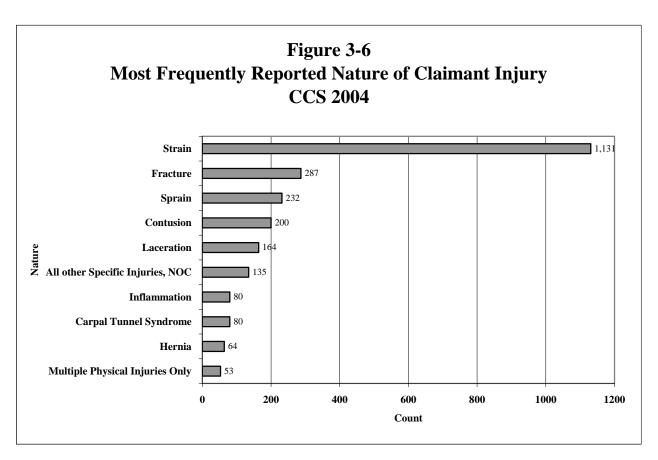


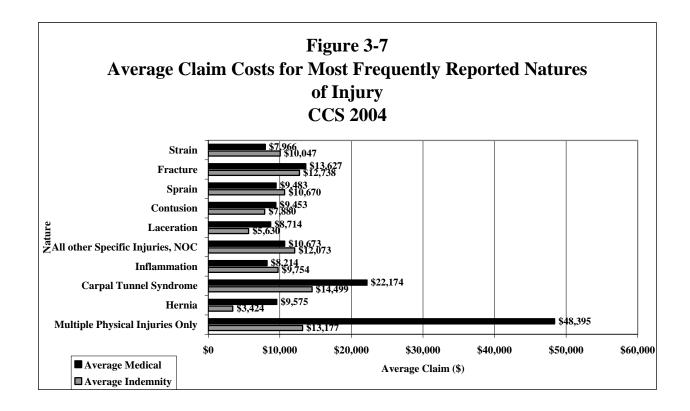


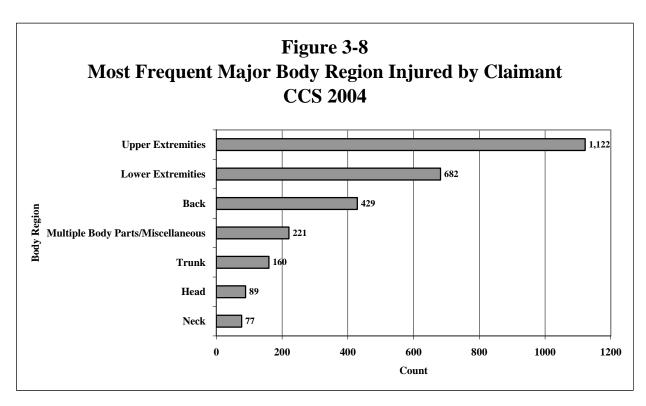


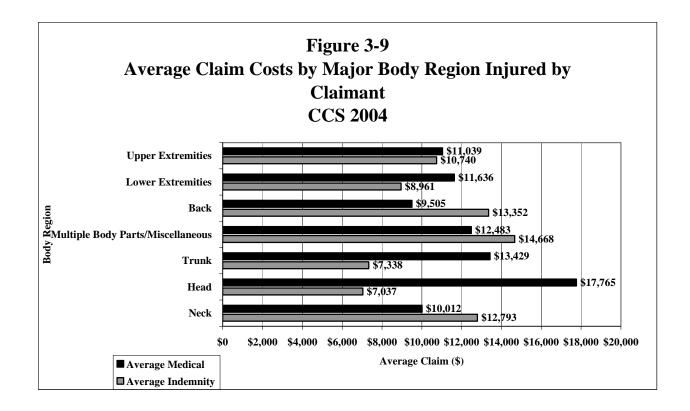


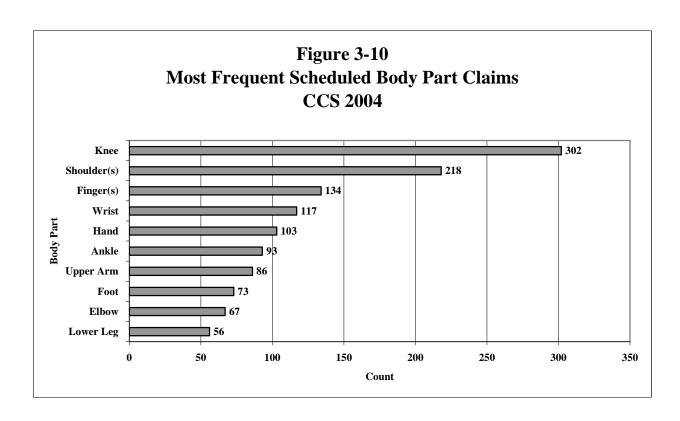


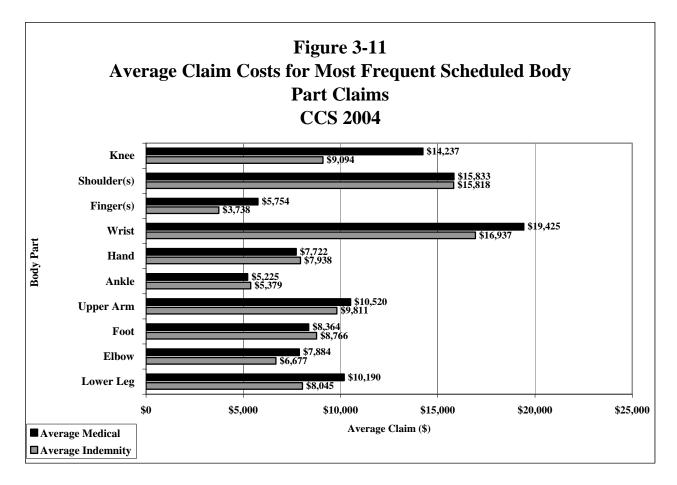


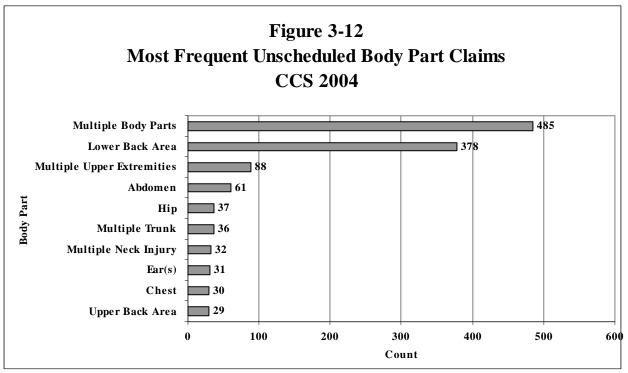


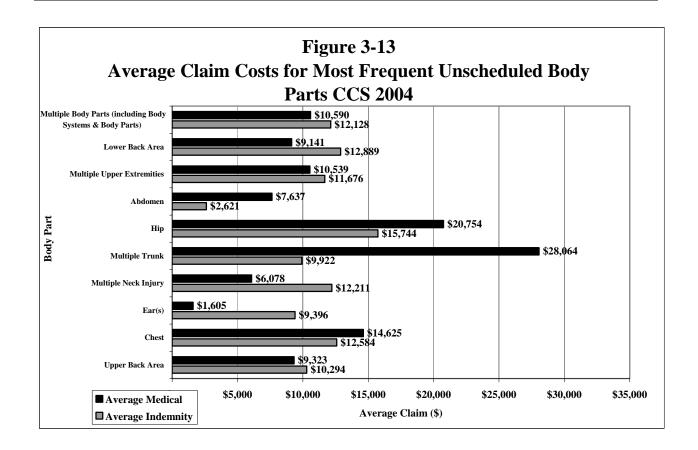


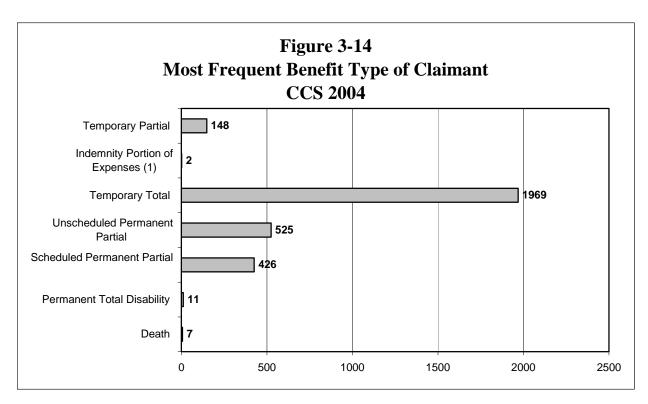


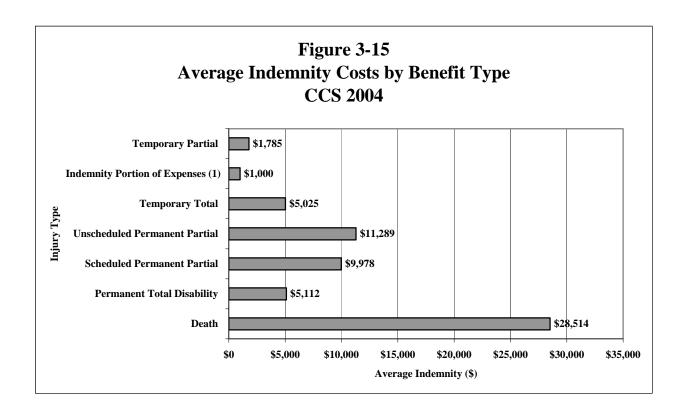


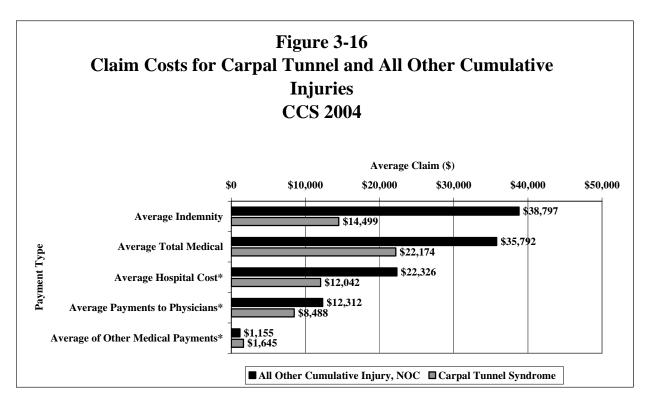












Comparative Analysis of 1999-2004 CCS Claims Costs and Temporal Characteristics

K.S.A. 44-557a(c) mandates the Director of Workers Compensation "to conduct studies of open and closed claims under the workers compensation act" and to seek advice in order to "make valid statistical conclusions as to the distributions of costs of workers compensation benefits." The expectation of the division's Closed Claims Study is that the data collected will provide a foundation upon which to construct meaningful statistical conclusions about the costs and temporal characteristics associated with workers compensation claims in Kansas and help identify trends in these claims characteristics over time. The CCS study is repeated on an annual basis using the first completed survey study as a baseline for comparison of successive samples. 2004 marks the sixth year that the division has reported its findings.

Univariate Statistics

Univariate statistics are important quantitative tools for describing the statistical distribution of workers compensation data. The term "univariate" refers to the presentation or analysis of one variable at a time and usually involves such descriptive statistics as frequency distributions, measures of central tendency (e.g., mean and median) and dispersion (e.g., variance and standard deviation). Important variables associated with workers compensation claims include the following:

- total indemnity costs for the claim
- total medical costs for the claim
- total physician, hospital and other medical costs for the claim
- claim duration (calculated from date of injury to date of closing)⁴
- time away from work (calculated from date of disability to return to work date)
- medical recovery time for the claim (calculated from date of injury to date of maximum medical improvement)

These eight workers compensation variables will be analyzed in this section of the report. Some of the definitions for these variables differ slightly than those reported above. See Tables 3-11 through 3-16.

It is extremely important to note that after six years of analyzing claims data from the sample study, the division has concluded that the distribution of medical and indemnity claim costs in Kansas are not normally distributed and, therefore, the median is a more appropriate measure of central tendency for summarizing the closed claims costs data than the mean ("average") since the median value is relatively unaffected by high cost

⁴ In Table 3-6 claim duration is calculated from date of claim closing back to the date of disability. For purposes here claim duration is calculated as back to the date of injury in order to reflect the full duration of a claim.

- outliers. A word of caution: none of these numbers has been controlled for inflation (see the division web site at www.dol.ks.gov for 1998-2002 costs controlled for inflation).
- Median⁵ costs for all cost variables were substantially lower than the mean for all six years of the CCS study. Median total indemnity costs for 2004 were \$4,901, for the 2003 CCS study they were \$3,695, for the 2002 CCS study they were \$2,573, for the 2001 CCS they were \$2,296, an increase of 8.5 percent from 2000 (\$2,115), but a decrease of 21.5 percent from 1999 (\$2,926). For the period 1999-2003, median total indemnity costs increased 40 percent. Again, the relative increase is not controlled for inflation.
- Median total medical costs have risen each year that the CCS study has collected workers compensation claims data, a relative increase of 106 percent from 1999-2004. Median medical costs in 2004 were \$5,033; in 2003, median total medical costs were \$4,285.50; median total medical costs in 2002 were \$4,108.50; and in 2001, median costs were \$3,834.
- From 1999 to 2004, mean⁶ total indemnity increased by \$4,701.14 or 59 percent. The confidence interval of the parameter mean for 2004 is \$11,286.71 \$13,987.75. Total indemnity in the 2003 study was \$9,288.44 +/- \$412.84, or between \$8,875.60 and \$9,701.28. For the 2002 study, mean indemnity was \$7,442.08 +/- \$307.06, or between \$7,135.02 and \$7,749.14. For 2001, mean indemnity was \$6,530.81 +/- \$228.65, or somewhere between \$6,302.16 and \$6,759.46. For the 2000 CCS sample, it was \$7,235.45 +/- \$264.76 or between \$6,970.69 and \$7,500.20 and for the 1999 CCS sample it was \$7936.09 +/- \$306.92 or between \$7,629.17 and \$8,243.01.
- Mean total medical costs, however, have risen 98.4 percent (\$5,758.31) over the past six years. Reported mean total medical costs for the 2004 sample were \$11,611.90 +/-\$1,026.30. For the 2003 CCS sample, mean medical costs were \$8,401.91 +/-\$405.68 or between \$7,996.23 and \$8,807.59. For the 2002 CCS sample, mean total medical costs were \$7,879.78 +/-\$332.67 or between \$7,547.11 and \$8,212.45. For 2001, mean costs were \$7,108.58 +/-\$232.69 (between \$6,857.89 and \$7,341.27); for 2000, mean medical costs were \$6,872.88 +/-\$280.39 (between \$6,592.49 and \$7,063.27); and for 1999 \$5,853.59 +/-\$277.05 (between \$5,576.54 and \$6,130.64).
- Univariate statistics associated with total physician, total hospital and total other medical costs for 1999-2004 are listed in Tables 3-11 through 3-16.
- As with median claim costs, the median numbers of days for the temporal characteristics associated with the claim are substantially lower than the mean. Median claim duration for the 2004 sample was 489 days. For the 2003 sample it was 384.5, for 2002 it was 324.5, for 2001 it was 332 days, for 2000 the median number of days was 329 and for 1999 it was 314 days. For time away from work, the median number of days for 2004 was 35 days. For the 2003, 2002, 2001 and 2000 CCS it was 31 days, 47 days, 32 days and 29 days, respectively. Median medical recovery time was higher than time away from work but lower than claim duration for all six years of the study (246 days in 2004, 163.5 days in 2003, 241.5 days in 2002, 174 days in 2001, 151 days in 2000 and 183 days in 1999).

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⁵ The median is simply the midpoint value (50th percentile) of the distribution, half of all values are above it and half are below it. The median is "resistant" to outliers, unlike the mean.

⁶ The mean is the arithmetic average of a set of numbers.

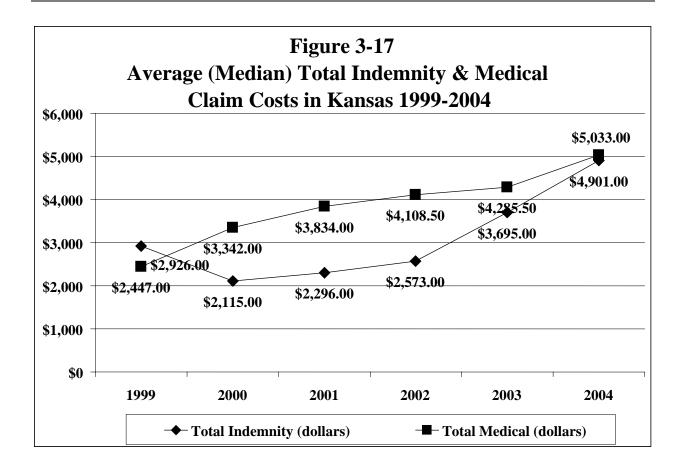
- The mean claim duration for all claims in 2004 was 619.8 +/- 11 days. The 2003 CCS sample was 551.97 +/- 14.61days. For the 2002 CCS sample, it was 500.49 +/- 13.04 days. For the 2001 CCS sample, mean claim duration was 449.83 +/- 9.19 days.
- Mean time away from work for the 2004 CCS sample was 272.2 days, +/- 87.26 days. The 2003 mean time away from work, calculated as the time from disability to the date the claimant returned to work, was 2,385.44 +/- 291.8 days. In 2002, mean time away from work was 124.77 +/- 6.9 days, for 2001 mean time away from work was 76.42 +/- 3.27 days, and it was 89.93 +/- 4.28 days in 2000. No data was available for the 1999 CCS sample.
- Mean medical recovery time for 2004 was 367.9 days, +/- 8.43 days. For 2003 it was 323.14 +/- 13.53, for 2002 it was 391.55 +/- 11.53 days, for 2001 it was 260.47 +/- 6.47 days, for the 2000 CCS sample it was 256.46 +/- 6.52 days, and in 1999 mean recovery time was 279.04 +/- 6.77 days.

Statistical measures of dispersion, such as the standard deviation or skewness, help explain how the outliers "inflate" the mean for both claim costs and characteristics variables. All eight variables show a positive skewness value (greater than zero) for all six years of the CCS study. For all years, the sample distributions for claim costs and temporal variables have been positively skewed, or right skewed. Compared to a normally distributed variable, in the shape of a bell curve, the distribution of claim costs (for both indemnity and all medical variables) are skewed to the right with most of the claims bunched near the left wall of the histogram while a relatively few claims extend the histogram out to the right and give it a long tail. Hence, we use the term right skewed or positively skewed because the values in the tail extend the distribution out into positive, not negative, values. A quantitative assessment of the skewness of a distribution can be calculated (see Tables 3-11 through 3-16), but it must be assessed in conjunction with another measure, the kurtosis or the tendency of the data to be distributed toward the ends or tails of the spread.

All eight variables show a positive skewness value (greater than zero) for all six years of the CCS study. For a normally distributed variable, the kurtosis statistic would be close to zero. If the kurtosis measure is less than zero, then the distribution is referred to as "light tailed" and if greater than zero it is described as "heavy tailed." Since the distributions of all the variables under study are asymmetrical (values cannot be less than zero), the kurtosis measures signals that there are a substantial number of outliers (high cost and large number of days) in the tails of the distribution for the variables under study (the kurtosis is much higher for some of the medical cost variables).

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⁷ Actually, the kurtosis of the normal distribution is three but SAS software subtracts three from the calculation so that the reference point becomes zero, a more intuitively appealing number in their estimation.



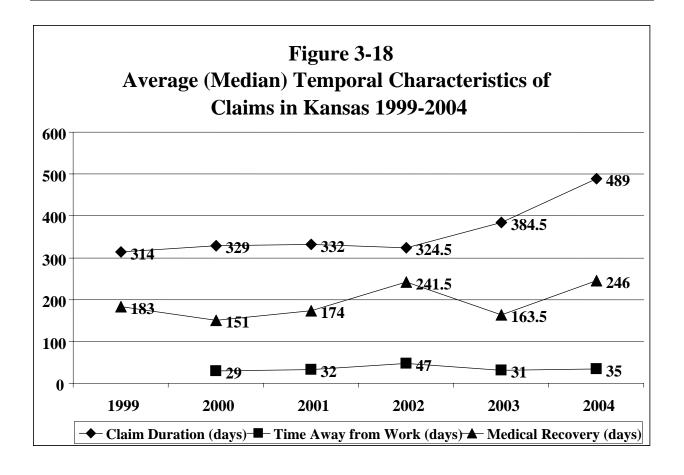


Table 3-10 2004 CCS: Workers Compensation Claims in Kansas

	Univariate Statistics							
	Mean	Standard Error	Median	Standard Deviation	Skewness	Kurtosis	Coefficient of Variation	n
Total Indemnity (dollars)	12,637.23	1,350.52	4,901	71,207.00	32.74	1295.30	563.47	2,780
Total Medical (dollars)	11,611.90	1,026.30	5,033	54,102.50	21.19	513.33	465.92	2,779
Total Physician Costs (dollars)	3,216.60	216.03	1,682	11,390.20	25.28	764.21	354.10	2,780
Total Hospital Costs (dollars)	5,743.70	681.78	1,312	35,947.50	21.44	511.40	625.86	2,780
Total Other Medical (dollars)	2,427.70	317.00	666	16,714.23	45.37	2,254.42	688.47	2,780
Claim Duration (days)	619.80	11.01	489	526.13	2.33	8.92	84.88	2,283
Time Away from Work (days)	272.20	87.26	35	3,482.18	19.95	399.44	1,279.28	1,593
Medical Recovery (days)	367.90	8.43	246	402.8	3.38	22.74	109.48	2,283

^{*}Claims that closed in 2003 with paid indemnity & medical.

Table 3-11 2003 CCS: Workers Compensation Claims in Kansas

Univariate Statistics Coefficient Standard Standard of Mean Error Median Deviation Skewness Kurtosis Variation n Total Indemnity (dollars) 9,288.44 412.84 3,695.00 16,169.58 4.37 29.04 174.08 1,534 Total Medical (dollars) 8,401.91 405.68 4,285.50 12,902.78 8.84 126.75 189.11 1,534 Total Physician Costs (dollars) 585.50 3,855.20 5.70 57.57 2,011.69 98.43 191.64 1,534 Total Hospital Costs (dollars) 175.59 103.00 9.52 2,517.56 6,877.38 139.63 273.18 1,534 Total Other Medical (dollars) 1,443.76 107.61 200.00 4,214.82 16.67 440.03 291.93 1,534 Claim Duration (days) 551.97 14.61 384.50 572.27 2.67 9.31 103.68 1,534 Time Away from Work (days) 2,385.44 291.80 31.00 2,385.45 3.64 11.27 374.25 936 Medical Recovery (days) 323.14 13.53 163.50 439.40 2.82 10.10 135.98 1,054

Source: Kansas Division of Workers Compensation

Table 3-12
2002 CCS: Workers Compensation Claims* in Kansas
Univariate Statistics

	Mean	Standard Error	Median	Standard Deviation	Skewness	Kurtosis	Coefficient of Variation	n
Total Indemnity (dollars)	7,442.08	307.06	2573.00	12,863.64	3.82	18.93	172.85	1,755
Total Medical (dollars)	7,879.78	332.67	4,108.50	14,393.53	9.26	144.12	182.66	1,872
Total Physician Costs (dollars)	2,072.15	77.65	1202.00	2,828.64	5.28	53.14	136.51	1,327
Total Hospital Costs (dollars)	3,902.37	189.37	2,327.50	5,897.96	5.12	42.04	151.14	970
Total Other Medical (dollars)	2,120.92	260.95	874.00	9,020.72	30.02	985.84	425.32	1,195
Claim Duration (days)	500.49	13.04	324.50	564.40	3.00	11.11	112.77	1,872
Time Away from Work (days)	124.77	6.90	47.00	243.90	6.28	57.74	195.52	1,249
Medical Recovery (days)	391.55	11.53	241.50	499.03	3.44	15.47	127.45	1,872

^{*}Claims that closed in 2002 with paid indemnity & medical.

^{*}Claims that closed in 2001 with paid indemnity & medical.

Table 3-13 2001 CCS: Workers Compensation Claims* in Kansas

Univariate Statistics

	Mean	Standard Error	Median	Standard Deviation	Skewness	Kurtosis	Coefficient of Variation	n
Total Indemnity (dollars)	6,530.81	228.65	2296.0	10,746.36	3.61	17.84	164.55	2,209
Total Medical (dollars)	7,108.58	232.69	3834.0	10,936.24	5.98	66.35	153.85	2,209
Total Physician Costs (dollars)	2,282.25	66.82	1,351.5	3,077.74	4.14	29.34	134.86	2,122
Total Hospital Costs (dollars)	4,314.73	187.53	2300.0	7,594.41	8.94	140.10	176.01	1,640
Total Other Medical (dollars)	2,136.52	103.46	683.0	4,353.92	7.59	105.57	203.79	1,771
Claim Duration (days)	449.83	9.19	332.0	431.81	2.61	9.65	95.99	2,209
Time Away from Work (days)	76.42	3.27	32.0	121.46	3.38	14.36	158.94	1,378
Medical Recovery (days)	260.47	6.47	174.0	303.92	3.13	15.32	116.68	2,206

Source: Kansas Division of Workers Compensation

Table 3-14
2000 CCS: Workers Compensation Claims* in Kansas
Univariate Statistics

	Univariate Statistics							
	Mean	Standard Error	Median	Standard Deviation	Skewness	Kurtosis	Coefficient of Variation	n
Total Indemnity (dollars)	7,235.45	264.76	2,115.00	13,118.47	4.19	24.68	181.31	2,455
Total Medical (dollars)	6,872.88	280.39	3.342.00	13,892.52	11.06	200.06	202.14	2,455
Total Physician Costs (dollars)	2,770.01	131.20	1,369.00	6,409.96	23.60	833.40	231.41	2,387
Total Hospital Costs (dollars)	4215.40	200.59	2,051.50	8,231.63	10.06	175.24	195.28	1,684
Total Other Medical (dollars)	1,603.54	93.34	557.00	4,144.81	10.76	175.05	258.48	1,972
Claim Duration (days)	442.86	8.32	329.00	412.25	2.28	8.92	93.09	2,455
Time Away from Work (days)	89.93	4.28	29.00	166.78	4.40	26.40	185.44	1,519
Medical Recovery (days)	256.46	6.52	151.00	323.20	3.38	17.74	126.03	2,455

^{*}Claims that closed in 2000 with paid indemnity & medical.

^{*}Claims that closed in 1999 with paid indemnity & medical.

Table 3-15
1999 CCS: Workers Compensation Claims* in Kansas

Univariate Statistics

	Mean	Standard Error	Median	Standard Deviation	Skewness	Kurtosis	Coefficient of Variation	n
Total Indemnity (dollars)	7,936.09	306.92	2,926.0	14,294.14	4.85	36.36	180.12	2,169
Total Medical (dollars)	5,853.59	277.05	2,447.0	12,902.78	16.90	489.68	220.43	2,169
Total Physician Costs (dollars)	2,039.81	68.55	1,042.0	3,128.68	4.31	28.36	153.38	2,083
Total Hospital Costs (dollars)	3,612.86	171.30	1,655.0	6,538.48	6.41	68.60	180.98	1,457
Total Other Medical (dollars)	1,777.74	221.00	517.5	9,371.18	35.10	1,383.89	527.14	1,798
Claim Duration (days)	423.46	8.85	314.0	412.31	2.76	11.30	97.37	2,169
Time Away from Work (days)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Medical Recovery (days)	279.04	6.77	183.0	315.25	3.07	15.40	112.97	2,169

Source: Kansas Division of Workers Compensation

Total Claim Costs for CCS 1999-2003

The total costs for the claim were calculated for each year of the CCS and included:

- total indemnity costs for the claim
- total medical costs for the claim, which included the total physician, hospital and other medical costs

Median total claim costs per sample year are reported in Table 3-16. From calendar years 1998 to 2003 median total claim costs (the sum of total indemnity and medical) increased 65 percent, not controlling for inflation. Median total claim costs for 2003 were \$11,242.50. The indemnity percentage of the total claim costs per sample has ranged between 47 percent in 2001 to 52.5 percent in both 1998 and 2002. The medical percentage of the total claim costs per sample has ranged between 47 percent in 1998 and 53 percent in 2001.

Table 3-16
CCS Total Costs for Claims 1999-2004

	Median Total	Percent	Percent
Sample Year	Costs*	Indemnity	Medical
1998	\$6,809.00	52.58%	47.42%
1999	\$6,271.00	51.28%	48.72%
2000	\$7,064.00	47.88%	52.12%
2001	\$7,398.50	46.96%	53.04%
2002	\$9,147.50	52.51%	47.49%
2003	\$11,242.50	52.12%	47.88%

^{*}Claims that closed in 1998 with paid indemnity & medical.

^{*}Sum of total incurred indemnity & medical per claim